

## **ECONOMIC DEVELOPMENT COMMITTEE**

**DATE:** February 17, 2010

**CALLED TO ORDER:** 5:31p.m.

**ADJOURNED:** 6:42 p.m.

### **ATTENDANCE**

#### ATTENDING MEMBERS

Jeff Cardwell, Chair  
Jose Evans  
Barbara Malone  
Michael McQuillen  
Mary Moriarty Adams

#### ABSENT MEMBERS

Doris Minton-McNeill  
Ryan Vaughn

### **AGENDA**

PROPOSAL NO. 35, 2010 - appropriates \$5,500,000 in the 2010 Budgets of the Department of Metropolitan Development and Mayor's Office (Redevelopment General and Consolidated County Funds) for economic development projects and charter school initiatives, financed by settlement proceeds

"Do Pass"

Vote: 4-1

PROPOSAL NO. 36, 2010 - appropriates \$3,000,000 in the 2010 Budget of the Department of Metropolitan Development (Federal Grants Fund) in the form of Community Development Block Grant Disaster funds acting as fiscal agent for a pass-through grant from the Indiana State Office of Community and Rural Affairs awarded to EnerDel to purchase equipment and expand operations, which in turn will create new jobs in Marion County

"Do Pass"

Vote: 4-0

PROPOSAL NO. 37, 2010 - appropriates \$400,000 in the 2010 Budget of the Department of Metropolitan Development (State of Indiana Grants Fund) in the form of Industrial Development Grant funds acting as fiscal agent for a pass-through grant awarded to Lockheed Martin Aspen Systems Corporation to assist in funding purchase and installation of fiber optic cable-related equipment, which will benefit Marion County through the creation and retention of jobs

"Strike"

Vote: 5-0

PROPOSAL NO. 61, 2010 – a final bond ordinance for GMF-Berkley Commons, LLC in an amount not to exceed \$22,500,000 for the purpose of financing the acquisition and renovation of an existing 544-unit multifamily housing residential rental project known as the Berkley Commons Apartments (District 24)

"Do Pass"

Vote: 5-0

## **ECONOMIC DEVELOPMENT COMMITTEE**

The Economic Development Committee of the City-County Council met on Wednesday, February 17, 2010. Chair Jeff Cardwell called the meeting to order at 5:31 p.m. with the following members present: Jose Evans, Barbara Malone, Michael McQuillen and Mary Moriarty Adams. Absent were Doris Minton-McNeill and Ryan Vaughn.

PROPOSAL NO. 37, 2010 - appropriates \$400,000 in the 2010 Budget of the Department of Metropolitan Development (State of Indiana Grants Fund) in the form of Industrial Development Grant funds acting as fiscal agent for a pass-through grant awarded to Lockheed Martin Aspen Systems Corporation to assist in funding purchase and installation of fiber optic cable-related equipment, which will benefit Marion County through the creation and retention of jobs

Jennifer Fults, Administrator, Department of Metropolitan Development (DMD), Division of Community Economic Development, stated that the proposal was seeking appropriations for a grant that was going to come from the State of Indiana and go to a company called Lockheed Martin. She said that Lockheed Martin was working on a federal contract that recently fell through and will not be able to fulfill their commitment for the grant funds, so they are withdrawing the opportunity.

Councillor Moriarty Adams moved, seconded by Councillor McQuillen, to "Strike" Proposal No. 37, 2010. The motion carried by a vote of 5-0.

PROPOSAL NO. 35, 2010 - appropriates \$5,500,000 in the 2010 Budgets of the Department of Metropolitan Development and Mayor's Office (Redevelopment General and Consolidated County Funds) for economic development projects and charter school initiatives, financed by settlement proceeds

Nick Weber, Deputy Mayor of Economic and Workforce Development, stated that the fiscal ordinance for \$5.5 million that the Administration seeks is to invest in four areas to promote economic development activities in Indianapolis. He said that as Mayor Greg Ballard recently outlined in his State of the City address, the time is right for Indianapolis to take our economic development efforts in a new direction. The economic slowdown has been severe in many corners of the country; it has been somewhat less dire here in Indianapolis. Mr. Weber stated that as unemployment begins to creep downward and employment creep upward, the funds that are being sought present an opportunity for the City to make an investment in economic development and capitalize on the beginning of a turn. He said that the funds that are being sought come in the form of cancelled economic development projects, specifically tax abatements. The funds that make up this fiscal ordinance basically fall into two groups. The first \$5 million is in hand and awaiting the passage of this ordinance, so that it can be spent. The funds received from Navistar, Inc. were part of a negotiated settlement with the city. Mr. Weber stated that during the last 10 years, Navistar has had a number of private/public partnerships in the form of tax abatements with the city. At the beginning of 2009, Navistar announced that they will be closing their Indianapolis facility. He said that after

extensive conversations with Navistar, they decided not to close the facility but rather scale back operations. Mr. Weber said that because Navistar would no longer be in compliance with the agreements previously reached with the city, an amount was determined that Navistar should pay to the city for non-compliance and also move to cancel all outstanding abatements with Navistar, so that no future benefit will be realized. He said that Navistar has already paid \$5 million, and the process by which the Metropolitan Development Commission (MDC) cancels abatements is underway. Mr. Weber stated that the remaining \$500,000 is what DMD believes other companies could be liable for, following a recent annual survey, specifically for three companies out of compliance. He said that they are not as far along with those companies as with Navistar, but will soon begin negotiating with them to receive funds and are seeking the appropriation, so that the city can move quickly to address the needs when these funds arrive. He said that the city will not spend any of the appropriations until the funds are received by the State.

Scott Miller, President and Chief Executive Officer, (CEO) Indianapolis Economic Development, Inc. (IEDI), stated that IEDI is an organization whose mission is to help retain, create and attract jobs in Marion County. He said that they are an advocate for existing businesses, and they provide business feedback to the Mayor and city agencies and identify support needs for businesses. Mr. Miller distributed a handout detailing some information about IEDI (attached as Exhibit A). Some key points include:

#### 2009 Business Development Efforts

- Strategic plan
- Personal visits to 408 existing Marion county companies
- Trade Missions to the United Kingdom, Brazil and China
- International trade shows

Mr. Miller stated that growing the capacity of IEDI will allow the city to launch a coordinated effort among city agencies and organizations to improve education, train workforce, improve infrastructure, redevelop commercial property and grow jobs. He said that there is an opportunity to make some direct investments to spur development and job growth in targeted industry clusters. Mr. Miller stated that part of the goal is to recruit both national and international companies to Indianapolis, as well as develop a reuse plan for the downtown Certified Technology Park that runs along White River, boarded by 16<sup>th</sup> Street and Indiana University Purdue University of Indianapolis (IUPUI). Mr. Miller stated that IEDI's intended results for more jobs, increased tax base, improve services to businesses and provide to a vibrant economy.

Chair Cardwell asked if there is an anticipated amount of return on investment. Mr. Miller stated that the key element is job creation and retention. He said that last year, there were over 11,000 job commitments and hopefully, they will see that number rise above 14,000 jobs committed over the course of the year. Mr. Miller stated that is where they will see their return on investment by helping create jobs.

Councillor Malone stated that she is looking for the exact figure of the \$5 million that is anticipated to be used in IEDI's effort. Mr. Miller stated that the number is actually \$3.5 million for their organization. Councillor Malone asked how IEDI arrived at this figure. Mr. Miller stated that IEDI looked at their organizational needs and assessed, on an annual basis, about \$1.5 million for operating expenses and the other \$2 million will be used for infrastructure. Councillor Malone stated that her difficulty voting on this appropriation is that the \$5 million is coming directly from Navistar's tax abatement. She said that having constituents who have been devastated by the layoffs and loss of jobs, it is really difficult for her to vote for \$3.5 million of that \$5 million to go to IEDI. She said although it is worthy, she is not comfortable in saying that the \$5 million from that specific tax abatement should go to these efforts.

Councillor Evans stated that he would like to see specific details of where the \$3 million is going. He said that he cannot support that large amount going to one organization and not be able to explain to his constituents exactly where that money is going.

Don Welsh, CEO, Indianapolis Convention and Visitor's Association (ICVA), distributed a handout detailing some information about ICVA (attached as Exhibit B).

Mr. Welsh stated that with room night production, Indianapolis has booked and consumed approximately 550,000 room nights annually. He said that with all of the new capacity moving in, Indianapolis will be well within the 850,000 room night range. He said that with the entire new product coming into the marketplace, it is about a 50% increase. Mr. Welsh stated that ICVA is \$1.5 million of the proposed \$5.5 million and will be using those funds in two areas: convention and meeting sales, which will increase sales force and implement media campaign in convention trade publications, and leisure and arts marketing, which will implement online marketing campaign, updating the website and integrating a partnership Expedia. Mr. Welsh stated that ICVA's base funding for 2010, without the involvement of the City-County Council, would have been \$9.1 million forcing ICVA to layoff 15% of their team. He said that with the Capital Improvement Board (CIB) amendment, the budget for 2010 is now \$11.2 million. Mr. Welsh stated that ICVA has been working with the City, the State and the White Family, who is building the J.W. Marriot complex, to work on a private funding match. He said that if ICVA is fortunate to receive the proposed \$1.5 million, it will trigger the private investment for ICVA to use for sales and marketing purposes from the White Family Foundation. Mr. Welsh stated that with the support from the Council, CIB the White Foundation funding and the proposed \$1.5 million, their budget would move to \$13.7 million.

Councillor Evans asked who runs the private public foundation board. Mr. Welsh stated that the company that is building the J.W. Marriot is called White Lodging. The principals in the White Family Foundation are Dean White and his son Bruce White, and they bestow money on different organizations. He said that through the White Foundation, ICVA was asked to present a plan to them to augment current funding through the CIB and ICVA's own revenue sources with funding from their foundation.

Karega Rausch, Director, Indianapolis Charter Schools, stated that he will be serving as Director of the new Office of Education Innovation (OEI). He said that there are four primary activities in which OEI will be engaged to manage and improve the Mayor's sponsored Charter Schools Initiative, OEI will serve as a county-wide hub for education initiative and data sharing. He said that Indianapolis is home to 110,000 students attending 11 school corporations. Mr. Rausch stated that OEI will be more aggressive in bringing city resources and education reform organizations to the city. He said that the funds received will be for three primary things: best practices from other education offices in other cities to see what ideas Indianapolis can bring, increased staffing to engage these new activities and some infrastructure needs such as computers, website enhancements and data software. Chair Cardwell asked what the total amount that will be received is. Mr. Rausch stated that it is \$175,000.

Maury Plambeck, DMD, stated that DMD maintains and manages some important property in Indianapolis. The Canal from West Street to 11<sup>th</sup> Street and the Indiana Theater Building, which, houses the Indiana Roof Ball Room and the Indiana Repertory Theater (IRT). Mr. Plambeck stated that although DMD has managed those for many years, they have never had a strong budget on maintaining those projects and they try to manage capital improvements as they receive funds to do so. He said that the Canal was cleaned a couple of years ago and right now, the Ohio Street basin, which is the oldest part of the canal is being renovated with new steps, railings and new pavement. The Theater Building has recently had a new roof put on. He said that this fiscal ordinance will go for capital improvements for both of those properties, and they have prioritized the ones to be done first. Mr. Plambeck stated that DMD's part of the ordinance is \$325,000. He said the priorities will be \$130,000 for the IRT, \$200,000 for the canal on the Ohio Street basin, \$2,500 for the ceiling repair in the ballroom, \$10,500 for security doors and painting in the tunnel, and \$10,000 for three new fountains at the canal.

Mr. Weber stated that he appreciates the opportunity that was given to the four groups that presented on the important work of investing in economic development. He said that there is a unified message in this opportunity to reinvest with these funds and the economic development will breed future opportunities in the form of jobs, tax base and community benefits. Councillor Malone asked, in regard to the tax abatement with Navistar, what the ultimate sum was that they would have been required to pay. Mr. Weber stated that the total benefit they received over the three different abatements was about \$18 million. He said that they have complied with some portions over a period of time and they did not maintain the level that they were supposed to maintain. Mr. Weber stated that the issue that became about what the city could realistically get in an expeditious timeframe to be able to deploy in a positive way versus a long drawn-out court procedure.

Larry Vaughn, citizen, stated that those funds are coming out of city coffers because they were projected paybacks. He said that Navistar has not given the city any money. Mr. Vaughn stated that they are clawing back money that does not exist and will come

out of the city coffers to fund the CIB. Mr. Vaughn stated that he does not see how the Council can sit back and do nothing and pass this proposal out of desperation.

Pat Andrews, Vice President, Marion County Alliance of Neighborhood Associations (MCANA), stated that MCANA has taken a position against this proposal for several reasons. She said that the found money should be appropriated back to the taxing units, as they would have received the property taxes that were abated. Ms. Andrews stated that giving money to IEDI and ICVA is the most prudent way to spend the funds. She said that there are things that need to be done for this city. Potholes, snow removal, sidewalks and pools that need repairing should get priority. She said that most uses for this money are for new hires and that is not prudent.

Mr. Weber stated that the issue of the appropriateness of the funds from the city's standpoint is that we have to grow the tax base. He said that the Mayor knows the financial challenges and needs that the city has, but the opportunity to grow ongoing tax base is an investment.

Councillor McQuillen moved, seconded by Councillor Moriarty Adams, to send Proposal No. 35, 2010 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 4-1, with Councillor Evans casting the negative vote.

[Clerk's note: Councillor McQuillen left the room]

PROPOSAL NO. 36, 2010 - appropriates \$3,000,000 in the 2010 Budget of the Department of Metropolitan Development (Federal Grants Fund) in the form of Community Development Block Grant Disaster funds acting as fiscal agent for a pass-through grant from the Indiana State Office of Community and Rural Affairs awarded to EnerDel to purchase equipment and expand operations, which in turn will create new jobs in Marion County

Ms. Fults stated that this fiscal ordinance request is an appropriation of \$3,000,000 of Federal Grant Funds that would come from the State Office of Community and Rural Affairs. She said that the city will administer these funds and serve as the fiscal agent for a pass-through grant that will ultimately go to EnerDel, Inc for economic development activities. Ms. Fults stated that these funds were awarded to the state from the United States Department of Housing and Urban Development to assist the state in recovery efforts related to declared federal disasters in Indiana. She said that these funds are to spur economic and community development activities. The state has identified EnerDel as a recipient to purchase equipment, expand their operations and create new jobs in Marion County. Ms. Fults stated that EnerDel manufactures lithium-ion batteries for hybrid, plug-in electric and electric vehicles. With this grant, EnerDel will expand its Indianapolis research and cell production center. EnerDel is located at 8740 Hague Road in Lawrence Township, in Council district 5. Ms. Fults stated that with the investment, EnerDel will create 150 new jobs at an average wage of \$16 per hour.

Chair Cardwell asked if Ms. Fults could explain from where the funds are coming. Ms. Fults stated that the funds are coming from the Community Development Block Grant-Disaster Fund. She stated that those funds were awarded to the state as a result of some federal disasters that were declared last year. Chair Cardwell asked if this was a pass-through and not city dollars. Ms. Fults answered in the affirmative. Councillor Evans asked where the new facility will be built. Ms. Fults stated that it is an expansion of the existing facility on Hague Road. Stephanie Quick, Assistant Administrator, DMD, stated that the new facility is not an expansion of the facility, as the funds will be used for equipment at the existing facility on Hague Road. Councillor Evans asked if EnerDel is building a new plant. Ms. Fults answered in the affirmative, stating that their new plant is not in Marion County.

Councillor Moriarty Adams moved, seconded by Councillor Evans, to send Proposal No. 36, 2010 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 4-0.

[Clerk's note: Councillor McQuillen returned]

PROPOSAL NO. 61, 2010 – a final bond ordinance for GMF-Berkley Commons, LLC in an amount not to exceed \$22,500,000 for the purpose of financing the acquisition and renovation of an existing 544-unit multifamily housing residential rental project known as the Berkley Commons Apartments (District 24)

Jim Crawford, Attorney, Kreig DeVault, and General Counsel for the Economic Development Commission (EDC), stated that this bond ordinance was before the committee in November, 2009 for an inducement resolution for this project. He said that it is now ready to come back for a bond ordinance for the issuance of bonds. The project is a 544-unit existing residential housing located at 8201 South Madison Avenue in Perry Township, in Councillor Mike Speedy's district. Mr. Crawford stated that EDC held a public meeting on February 3, 2010, concerning this project and there was no one to speak against the project, and the commission approved the bond ordinance with the recommendation that the proposal passes. Mr. Crawford stated that the bonds will be issued pursuant to a trust indenture with the Bank of New York Mellon as the bond trustee. The funds will be loaned to GMF-Berkley Commons, LLC that will be the owner of the project. The bonds will have a mortgage, assignment of rents and security agreement, which will run to the trustee to secure the bond holders. Mr. Crawford stated that the bonds are not a general obligation to the City of Indianapolis. They are payable solely from revenues from the project and the security given in the project in the form of mortgage and security interest. Mr. Crawford stated that to comply with federal tax law, at least 40% of the units are occupied with persons at 60% or less of the Area Median Income (AMI) and at least 75% of the units occupied for persons at 80% or less of the AMI.

Mr. Crawford stated that this project will have a Payment In Lieu of Taxes (PILOT) agreement. He said that this project will remain at 50% of what the taxes would have been if they had not taken it off the tax rolls, because of the exempt organization

purchasing the project. Mr. Crawford stated that this project will be providing supportive services to the residents on a voluntary basis, but a kicker has been structured into the PILOT agreement that by March 1<sup>st</sup> of each year, while the bonds are outstanding, the company has to give a report to DMD on their activities and participation of residents in the supportive services for the prior year. He said that if less than 25% of the residents take part in those services, the PILOT agreement requires an additional 10% payment of the taxes for the year.

Chair Cardwell asked if Mr. Crawford and the owners have spoken to Councillor Speedy. Mr. Crawford stated that Councillor Speedy is in support of this project.

Councillor Malone stated that with the inducement bonds, is it necessary for GMF to get the federal tax shelters. Mr. Crawford stated that the inducement resolution that came to the committee before is because the interest on the bonds will be tax exempt, and there are certain restrictions on what obligations can be paid for with those tax exempt bonds, as well as what costs occur in putting a project together and what may be included in and reimbursed out of the bond proceeds. He said that those reimbursement regulations basically say that things look bad 60 days prior to a declaration of official intent by the entity that is going to issue the bonds. Councillor Malone asked if Mr. Crawford could give some ideas of the limitations that the regulations place in terms of the use of money. Mr. Crawford stated that in this case with the bonds being tax exempt, they will have to use the bond proceeds for the acquisition and renovation of qualified residential property and which is that affordable housing within the 75% of the units has to be occupied by persons with 80% or less of the AMI. He said that within that, there is a 40%-60% requirement also, and that is enforced through the regulatory agreements that are recorded and ran with the land. He said that it is in effect for a qualified project period, which is the later date of 15 years from the date the bonds were issued or when the last bond is still outstanding.

Councillor Malone asked when these units were built. Richard Hamlet, CEO, GMF, stated that they were built in 1972. Councillor Malone asked how extensive the renovations to these units are. Mr. Hamlet stated that the seller spent \$6 million on the property between 2003 and 2005. Councillor Malone stated that from her understanding, none of these units are designed for disabled individuals. Mr. Hamlet stated that the property was built in 1972, and the American Disabilities Act (ADA) law was constructed in 1991. The property is being bought as is. Bruce Mills, Van Roy Properties and Property Manager at Berkley Commons Apartments, stated that nearly 400-units are townhomes, so it is difficult to make those traditionally handicapped assessable. He said for the other buildings that are not townhomes, the hallway configuration is three-level with steps. Mr. Hamlet stated that there are parking spaces with the curb ramps in place. Councillor Malone asked when the renovations were made. Mr. Hamlet stated between 2003 and 2006. He said that the owner bought the property in 2002, and immediately did substantial renovations. Councillor Malone stated that there should be some designated units for the disabled. Mr. Hamlet stated that they are committed to doing what they can to make the property more accessible to disabled individuals.



Councillor Evans asked what the property worth is and does if it includes employees, salaries, and equipment. He also asked what the expected amount is for the renovations. Mr. Hamlet stated that the up-front physical repair work they are doing is around \$300,000. He said that is the amount for the engineer and the physical needs assessment that was done. For the financing, they came up with some immediate dollars because of the work that had been done on the units. This is now included in the purchase price to the seller. Mr. Hamlet stated that the appraisal done on the property, with the improvements, is right at \$22 million. Councillor Evans stated that Mr. Hamlet is buying the property as-is, so without improvements, how much is the property. Chair Cardwell stated that these are revenue bonds, so it will be based on the capitalization rate of the return of the rents. The income approach supports the revenue creating a positive cash flow to maintain. Mr. Hamlet agreed with Chair Cardwell.

Mr. Crawford stated that the PILOT agreement specifically provides that these PILOT payments are made semi-annually by the owner of the property and will be distributed to those taxing units that would have received the taxes in the same portion.

Mr. Hamlet stated that he has had conversations with the Southport business district, and the Homeowners Association is enthusiastic about this project.

Councillor Moriarty Adams moved, seconded by Councillor Malone, to send Proposal No. 61, 2010 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 5-0.

There being no further business, and upon motion duly made, the meeting adjourned at 6:42p.m.

Respectfully Submitted

JC/lw

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Jeff Cardwell, Chair



## INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

# Mission

### Job #1 = Jobs

- Assist companies that are creating jobs
- Retain companies
- Attract new companies

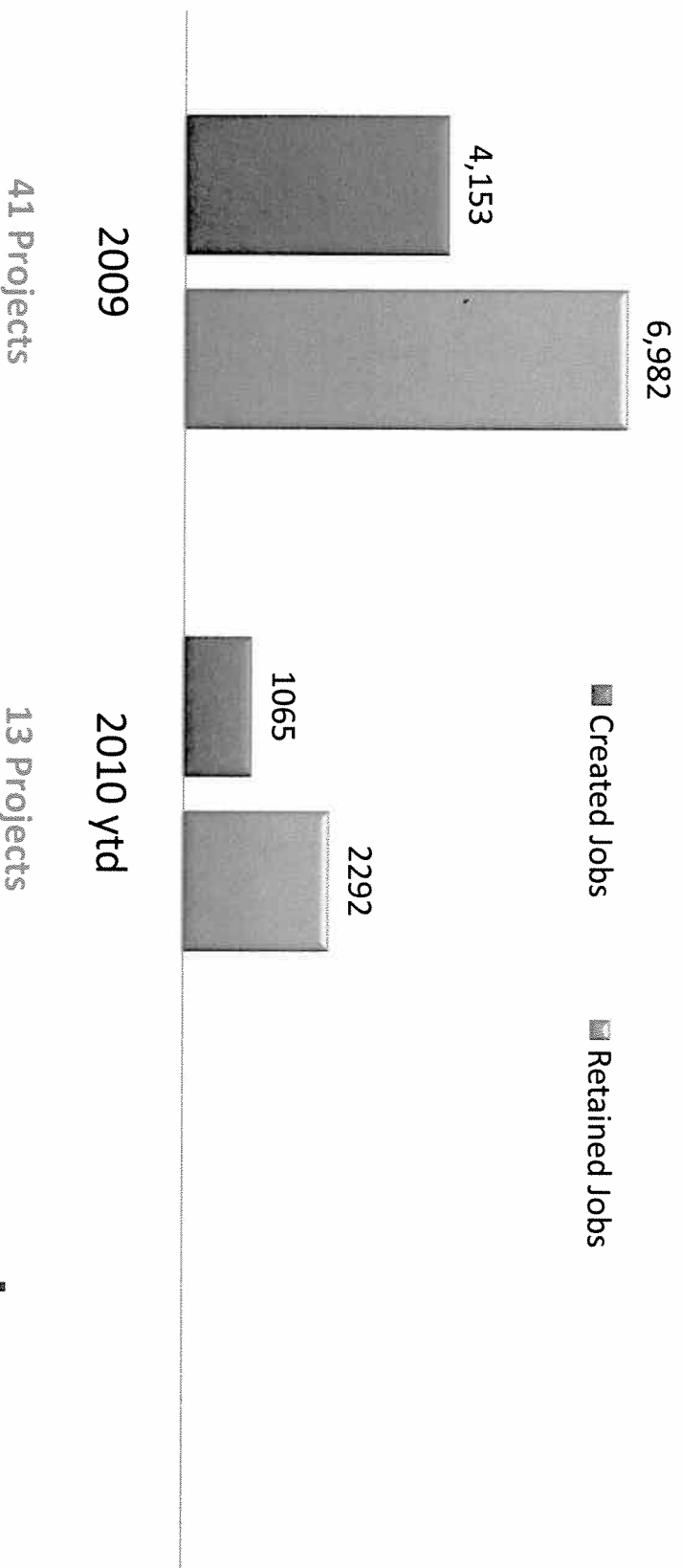
### Advocate for existing businesses

- Permitting, zoning, infrastructure needs
- Provide business feedback to the Mayor and city agencies
- Identify support needs for business



## INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

# Job Commitments





## INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

### Recent Projects

- **Bucher & Christian**  
*200 new jobs/276 retained jobs*
- **Apparatus**  
*130 new jobs/73 retained jobs*
- **Beckman Coulter**  
*100 new jobs/400 retained jobs*
- **Comlux**  
*400 new jobs/80 retained jobs*
- **Dow AgroSciences**  
*100 new jobs/1,031 retained jobs*
- **Express Scripts**  
*182 new jobs*

B U C H E R + C H R I S T I A N



**BECKMAN  
COULTER**



**comlux**  
THE AVIATION GROUP



**Dow AgroSciences**



**EXPRESS SCRIPTS®**



INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

## 2009 Business Development Efforts

- Strategic plan
- Personal visits to 408 existing Marion County companies with 25 or more employees
- Trade missions to UK, Brazil, and China
- International trade shows (energy, motorsports, life sciences)
- New website



## INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

### Indianapolis vs. EDOs in other cities in budget and staff size

	Indianapolis	Charlotte	Columbus	Oklahoma City	Minneapolis	Nashville
Population	880,380	716,874	733,203	560,000	390,131	626,144
Budget	\$1,000,000	\$1,953,194	\$7,067,512	\$2,352,000	\$11,004,042	\$2,400,000
Budget Per Capita	\$1.14	\$2.72	\$9.64	\$4.20	\$28.21	\$3.83

Staff Size	7	11	11	14	135	14
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## INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

### Indianapolis vs. EDOs in other cities in service offerings

	Indianapolis	Charlotte	Columbus	Oklahoma City	Minneapolis	Nashville
Site Selection	✓	✓	✓	✓	✓	✓
Planning/ Development	X	X	✓	X	✓	✓
Asset Management	X	X	✓	X	X	X
Financial Services	X	✓	✓	✓	✓	X
Real Estate Services	X	✓	✓	✓	✓	X
Comparative Analysis	✓	✓	✓	✓	✓	✓
Business Ombudsman Services	X	✓	✓	✓	X	✓



## INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

### Indianapolis vs. EDOs in other cities in incentive offerings

	Indianapolis	Charlotte	Columbus	Oklahoma City	Minneapolis	Nashville
Tax Abatement	✓	X	✓	X	✓	X
Training Grants	X	X	✓	X	✓	X
Workforce Services	X	X	✓	✓	✓	✓
Cash Grants	X	X	✓	✓	✓	X
Performance Incentives	X	X	✓	✓	✓	✓
Capital Improvement Funds	X	X	✓	X	✓	X
Business Loans	X	X	✓	✓	✓	✓





## INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

### **Growing the capacity of IEDI will allow the city to:**

- Launch a coordinated effort among city agencies and organizations to improve education, train workforce, improve infrastructure, redevelop commercial property, and grow jobs.
- Make direct investments to spur development and job growth in targeted industry clusters.
- Recruit national and international companies to Indianapolis.
- Develop a reuse plan for the downtown Certified Technology Park.



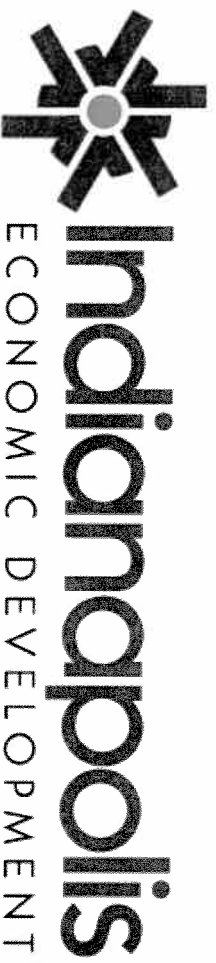
INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.

## Intended Results

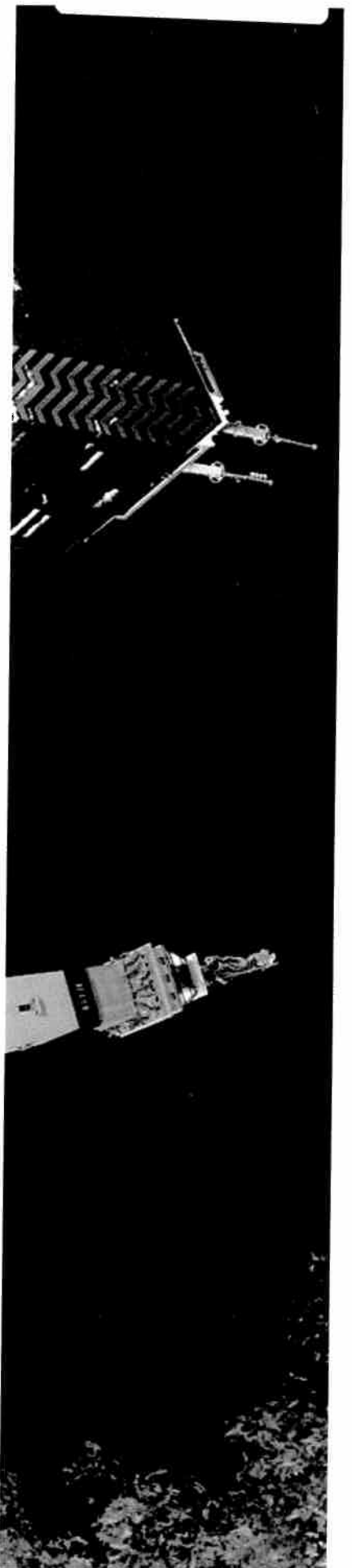
- More jobs
- Increased tax base
- Improved services to businesses
- Vibrant economy



INDIANAPOLIS ECONOMIC DEVELOPMENT, INC.



[www.indianapoliseconomicdevelopment.com](http://www.indianapoliseconomicdevelopment.com)



# Tourism – Our Opportunity

## CCC Economic Development Committee

February 17, 2010

Don Welsh, President & CEO

Indianapolis Convention & Visitors Association



*Raising the game*<sup>TM</sup>

**Indianapolis**  
CONVENTION & VISITORS ASSOCIATION

# Indianapolis Tourism Industry

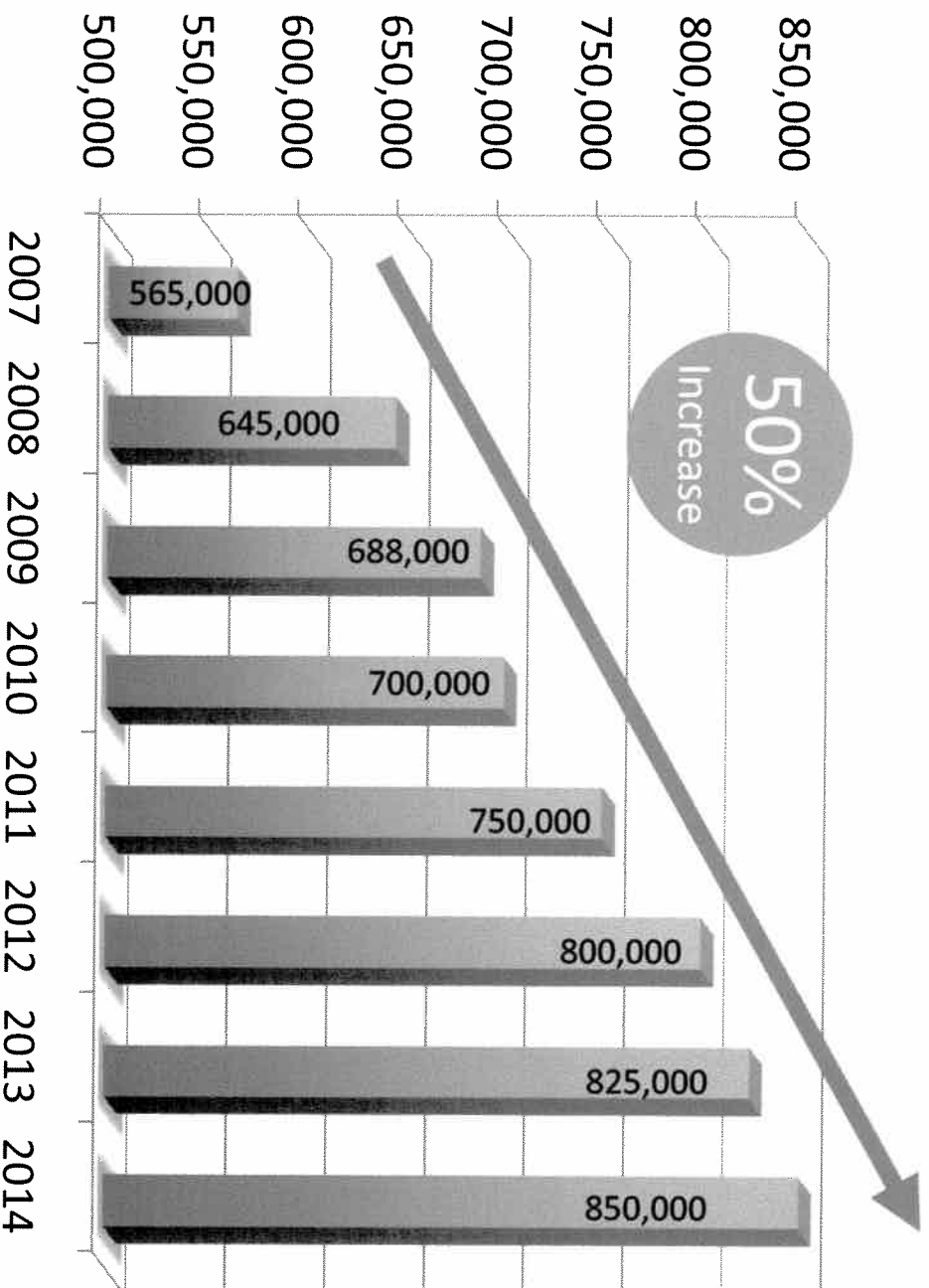
**\$3.56 billion industry in 2006 (\$3.25 billion in 2005)**

- 21.9 million visitors (21.7 million in 2005)
- 66,621 jobs (63,361 jobs in 2005)
- \$1.90 billion in wages (\$1.76 billion in 2005)
- \$794 million in tax receipts (\$734 million in 2005)
- \$141.6 million in air transportation (\$137 million in 2005)

*Raising the game™*

**Indianapolis**  
CONVENTION & VISITORS ASSOCIATION

# Room-Night Production

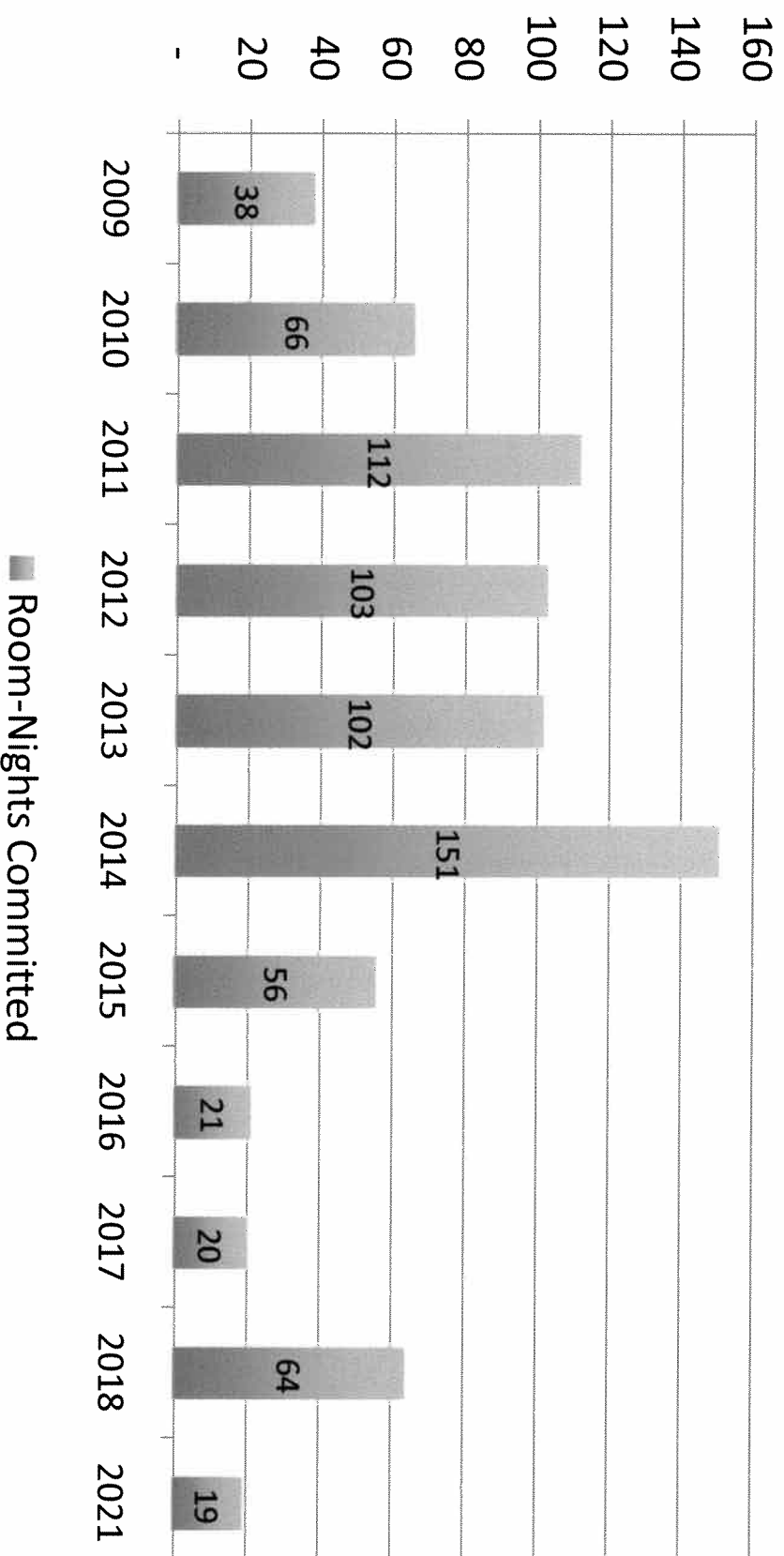


*Raising the game™*

**Indianapolis**  
CONVENTION & VISITORS ASSOCIATION

# 2009 Room-Nights Sold (000's)

Total Net Definite Room-Nights = **687,972**

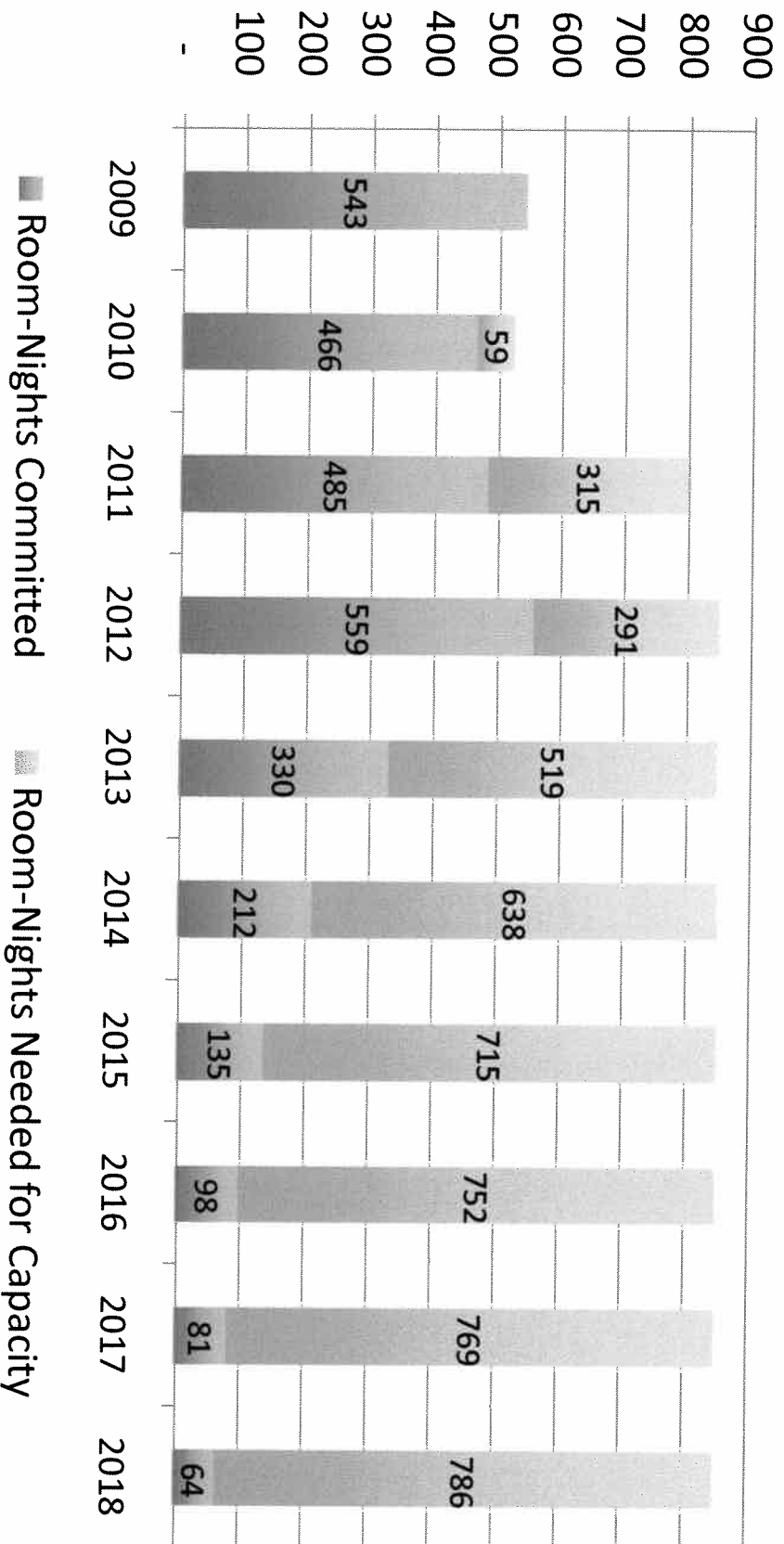


*Raising the game™*

**Indianapolis**  
CONVENTION & VISITORS ASSOCIATION

# Convention Room-Night Opportunity

3 Million Room-Nights Committed



Raising the game™

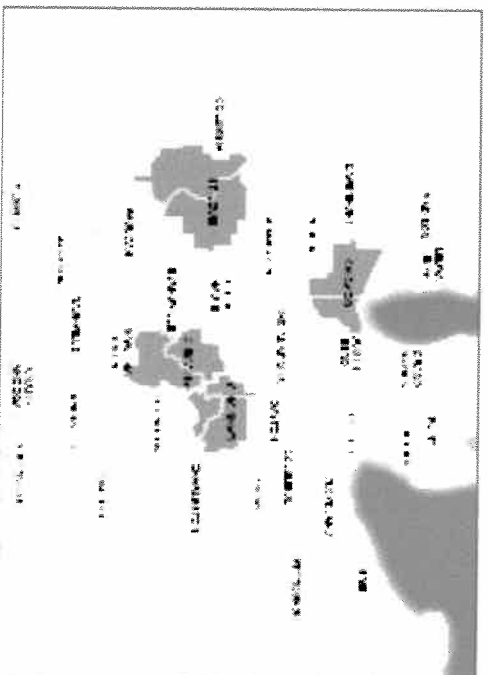
Indianapolis  
CONVENTION & VISITORS ASSOCIATION



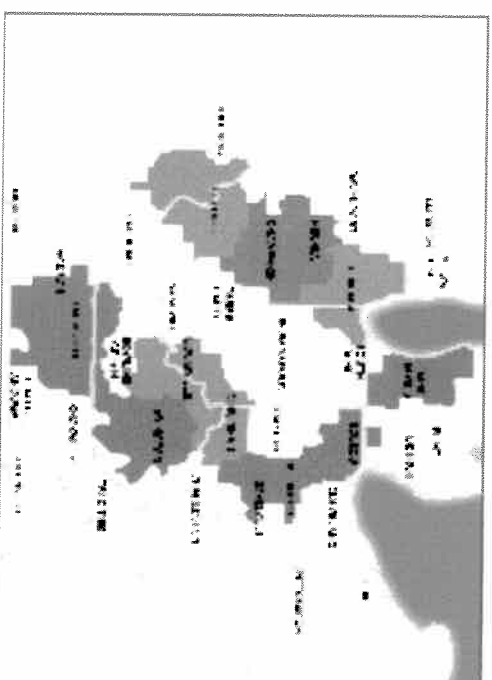
# 2010 Action Plan

- Convention & Meeting Sales
  - Increase sales force
  - Implement media campaign in convention trade publications
- Leisure & Arts Marketing
  - Implement online marketing campaign
  - VisitIndy.com website update & Expedia integration
  - Increase marketing to additional drive markets

# 2010 Leisure Campaign Markets



*2009 Market Coverage*



*2010 Market Coverage with Incremental Spending*

## 2009 Footprint

Chicago  
Cincinnati  
Louisville  
St. Louis

## 2010 Footprint

Chicago  
Cincinnati  
Louisville  
St. Louis

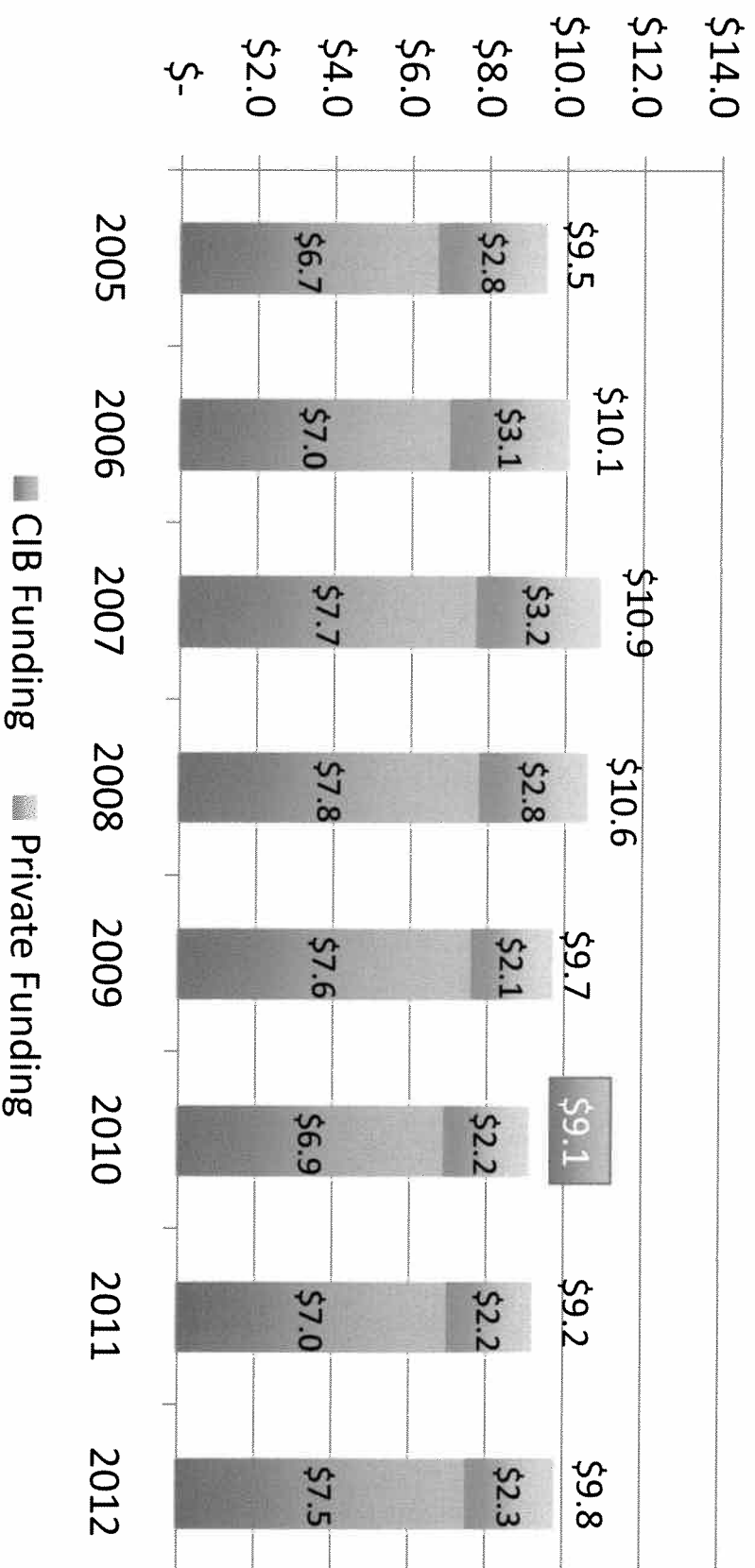
Nashville  
Lexington  
Peoria-Bloomington  
Columbus

Champaign-Springfield-Decatur  
Grand Rapids-Kalamazoo-Battle Creek  
Toledo

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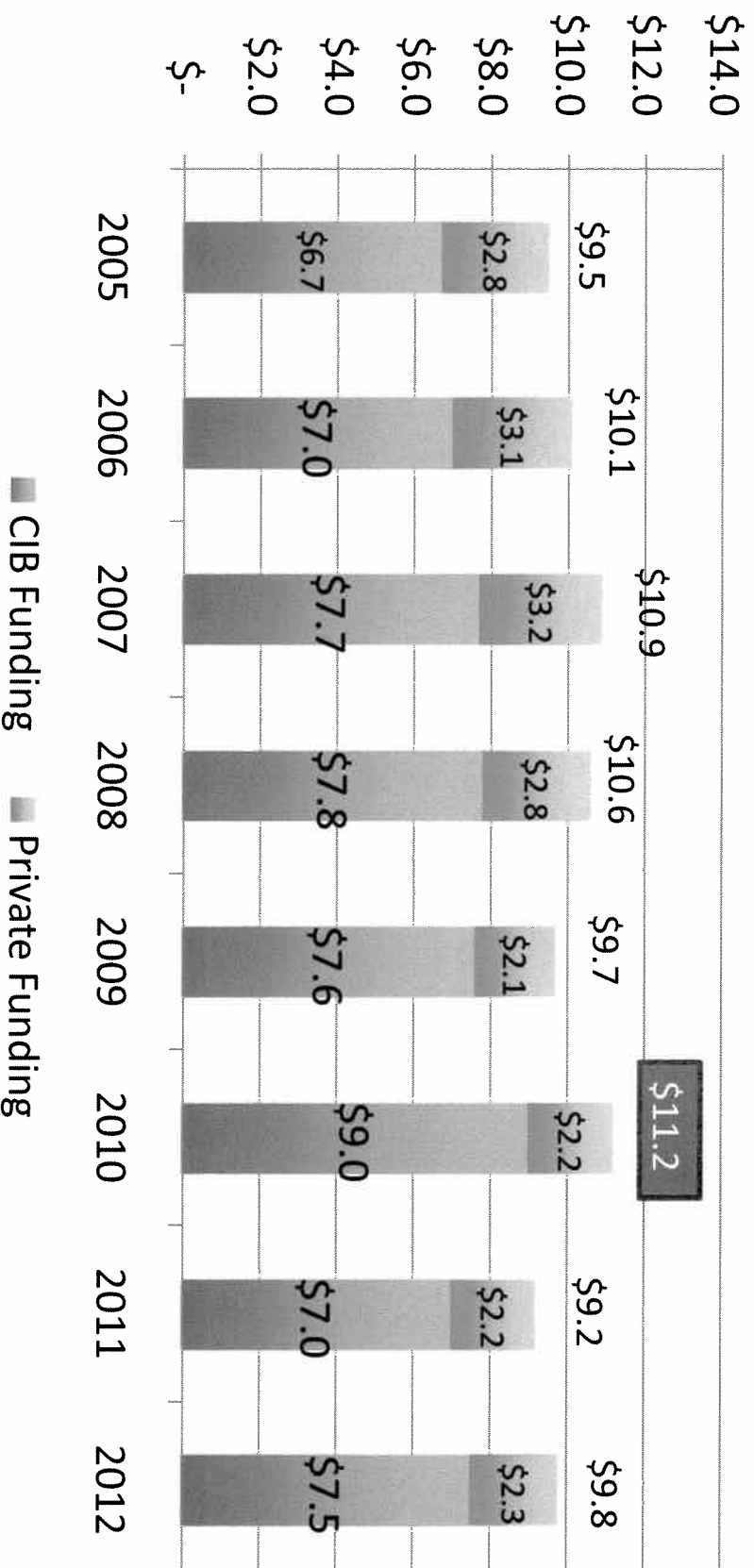
# ICVA Base Funding (millions)



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# ICVA Funding with CIB Amendment *(millions)*



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# Funding Opportunity

\$1.5 Million from the City County Council

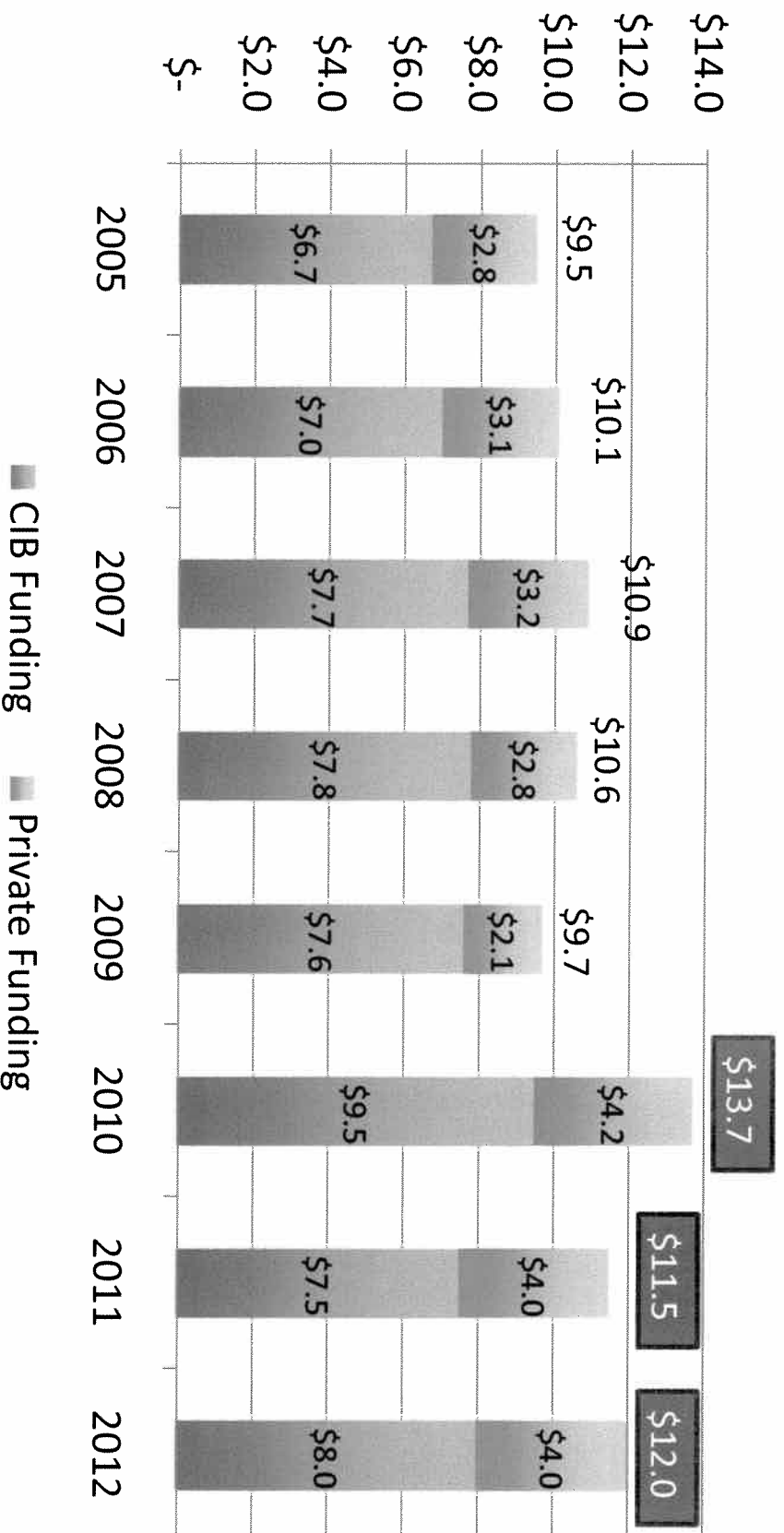
## *Enables*

\$5.4 Million from the White Family Foundation

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# ICVA Funding with CIB and Council (millions)



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# Competing CVB Budgets *(millions)*

<b>San Antonio</b>	<b>\$20.0</b>	<b>Boston</b>	<b>\$13.5</b>
<b>Atlanta</b>	<b>\$19.3</b>	<b>Seattle</b>	<b>\$13.5</b>
<b>Denver</b>	<b>\$16.3</b>	<b>Chicago</b>	<b>\$13.0</b>
<b>Houston</b>	<b>\$15.5</b>	<b>Philadelphia</b>	<b>\$12.3</b>
<b>Dallas</b>	<b>\$15.0</b>	<b>Nashville</b>	<b>\$12.2</b>
<b>St. Louis</b>	<b>\$15.0</b>	<b>Pittsburgh</b>	<b>\$11.0</b>
<b>Louisville</b>	<b>\$13.9</b>	<b>Kansas City</b>	<b>\$10.7</b>
<b>Indianapolis</b>	<b>\$13.7</b>	<b>Minneapolis</b>	<b>\$9.6</b>

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